

Date signed January 25, 2010



*Paul Mannes*

PAUL MANNES  
U. S. BANKRUPTCY JUDGE

**UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF MARYLAND  
at Greenbelt**

IN RE:	:	
	:	
RICHARD DARRIN MCGHEE AND	:	Case No. 09-28938PM
VICKIE MCGHEE	:	Chapter 7
Debtors	:	
-----	:	

**MEMORANDUM OF DECISION**

This case is before the court on the Debtors' Motion to Value Collateral and to Avoid Security Interest Pursuant to 11 U.S.C. § 506. The subject of the Motion is a 2001 Volkswagen Jetta GL purchased by the Debtors in November 2008. As of the date of the filing of the Motion, the vehicle was encumbered by a purchase money security interest held by CarMax Auto Finance in the approximate amount of \$10,705.75. Debtors assert that the vehicle has a current retail value of \$5,560.00 and propose to pay that amount over the next fifty five months, at an interest rate of 8%. Accordingly, Debtors seek the entry of an order voiding the unsecured portion of CarMax's lien.

Through its motion to "strip down" the unsecured portion of CarMax's lien, Debtors are seeking relief that is not available to them as debtors under chapter 7. Their proposed course of action is akin to redemption through installment payments. A chapter 7 debtor, however, may redeem secured collateral only through a lump-sum payment. *See In re Bell*, 700 F.2d 1053 (CA6 1983); *In re Chubb*, 351 B.R. 478 (BC E.D. Tenn. 2004).

An appropriate order will be entered.

cc: Debtors  
Chapter 7 Trustee  
Andrew P. McGuire, Regan Associates, Chartered, 1003 K Street, N.W., Fl. 3,  
Washington, D.C. 20001  
CarMax AutoFinance, 225 Chastain Meadows Court, Kennesaw, GA 30144

**End of Memorandum**